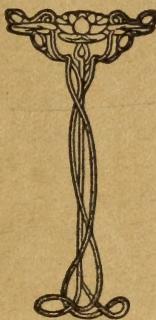


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# THE BARGAIN ITSELF

Just what is proposed between  
the Governments of Canada  
and the United States :: ::



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# JUST WHAT IS PROPOSED BETWEEN THE GOVERNMENTS OF CANADA AND THE UNITED STATES.



UNDREDS of thousands of dollars are being expended by certain monied interests under the pretence of defending the Canadian nationality, while as a matter of fact expert writers are getting this cash for the purpose of diverting the minds of the public from the real issue.

The pact proposed is very simple, and can have no possible effect except to give the Canadian producer another market for his goods, and to create for the workingman a greater demand for his labour.

The arrangement is merely a proposal to let down the tariff bars a little so as to give the ordinary people, on both sides of the line, a chance to participate more fully in the profits of their own toil.

Certain interests in Canada who find it profitable to make large investments in the United States, seem to fear that if the farmer sells more of his products to the United States than he is doing at present, and at a better price, his loyalty to the British Empire will be weakened. They would have one believe that, if under this arrangement a farmer got two hundred dollars for a horse for which he now can get but one hundred and seventy, on account of the United States duty, it would somehow weaken his patriotism.

What is all right for them is all wrong for the farmer. They tell the railway companies they will be injured as the traffic now going east and west will, under this new arrangement, go north and south, and strange to say at the same time, they assure the farmers, particularly in the West, that the arrangement will not help them in any way, as the United States does not want to buy their products. The great mass of the people of Canada have within their reach something that every great Canadian, during the past forty years when he has had

responsibility of Government on his shoulders, has endeavoured to secure for our people.

In order that there may be no mistake as to what is proposed this copy of the official correspondence and agreement is given to the public without further comment.

Read this carefully, taking particular note of the articles in which you are interested and conclude for yourself whether any other but a beneficial result can accrue from securing for you the larger market indicated in this agreement.

It might be noted that for years the Conservative press has said that if the United States wanted better trade relations with Canada it should reduce its tariff to an equality with the Canadian tariff. In this arrangement the United States has done this very thing, and in most instances the reductions in the United States tariff are very much greater than the reductions in the Canadian tariff.

It will also be seen that only the articles in Schedule "A" are admitted free into both countries, and in the other Schedules a reduction only is made in the duty, so that the cry of the "interests" that the arrangement is an entirely free trade one, is absolutely misleading and without foundation. It provides for the free interchange of natural products, and a reduced reciprocal tariff on a named list of other articles.

That is all.

It is not a treaty but an agreement that can be terminated at any time by either party.

## READ IT



# Tariff Relations between the United States and the Dominion of Canada

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## Correspondence Respecting Negotiations

1911

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Washington, January 21, 1911

Dear Mr. Secretary,—

1. The negotiations initiated by the President several months ago through your communication to His Excellency the British Ambassador respecting a reciprocal tariff arrangement between the United States and Canada, and since carried on directly between representatives of the Governments of the two countries, have now, we are happy to say, reached a stage which gives reasonable assurance of a conclusion satisfactory to both countries.

2. We desire to set forth what we understand to be the contemplated arrangement, and to ask you to confirm it.

3. It is agreed that the desired tariff changes shall not take the formal shape of a treaty, but that the Governments of the two countries will use their utmost efforts to bring about such changes by concurrent legislation at Washington and Ottawa.

4. The Governments of the two countries having made this agreement from the conviction that, if confirmed by the necessary legislative authorities, it will benefit the people on both sides of the border line, we may reasonably hope and expect that the arrangement, if so confirmed, will remain in operation for a considerable period. Only this expectation on the part of both Governments would justify the time and labour that have been employed in the maturing of the proposed measures. Nevertheless, it is distinctly understood that we do not attempt to bind for the future the action of the United States Congress or the Parliament of Canada, but that each of these authorities shall be absolutely free to make any change of tariff policy or of any other matter covered by the present arrangement that may be deemed expedient. We look for the continuance of the arrangement, not because either party is bound to it, but because of our conviction that the more liberal trade policy thus to be established will be viewed by the people of the United States and Canada as one which will strengthen the friendly relations now happily prevailing and promote the commercial interests of both countries.

5. As respects a considerable list of articles produced in both countries, we have been able to agree that they shall be reciprocally free. A list of the articles to be admitted free of duty into the United States when imported from Canada, and into Canada when imported from the United States, is set forth in Schedule A.

6. As respects another group of articles, we have been able to agree upon common rates of duty to be applied to such articles when imported into the United States from Canada or into Canada from the United States. A list of these articles, with the rates of duty, is set forth in Schedule B.

7. In a few instances it has been found that the adoption of a common rate will be inconvenient and therefore exemptions have to be made.

8. Schedule C specifies articles upon which the United States will levy the rates therein set forth when such articles are imported from Canada.

9. Schedule D specifies articles upon which Canada will levy the rates therein set forth when such articles are imported from the United States.

10. With respect to the discussions that have taken place concerning the duties upon the several grades of pulp, printing paper, &c.—mechanically ground wood pulp, chemical wood pulp, bleached and unbleached, news printing paper and other printing paper and board made from wood pulp, of the value not exceeding four cents per pound at the place of shipment—we note that you desire to provide that such articles from Canada shall be made free of duty in the United States only upon certain conditions respecting the shipment of pulp wood from Canada. It is necessary that we should point out that this is a matter in which we are not in a position to make any agreement. The restrictions at present existing in Canada are of a Provincial character. They have been adopted by several of the Provinces with regard to what are believed to be Provincial interests. We have neither the right nor the desire to interfere with the Provincial authorities in the free exercise of their constitutional powers in the administration of their public lands. The provisions you are proposing to make respecting the conditions upon which these classes of pulp and paper may be imported into the United States free of duty must necessarily be for the present inoperative. Whether the Provincial Governments will desire to in any way modify their regulations with a view to securing the free admission of pulp and paper from their Provinces into the markets of the United States, must be a question for the Provincial authorities to decide. In the meantime, the present duties on pulp and paper imported from the United States into Canada will remain. Whenever pulp and paper of the classes already mentioned are admitted into the United States free of duty from all parts of Canada, then similar articles, when imported from the United States, shall be admitted into Canada free of duty.

11. The tariff changes proposed might not alone be sufficient to fully bring about the more favourable conditions which both parties desire. It is conceivable that Customs regulations which are deemed essential in some cases might operate unfavourably upon the trade between the United States and Canada, and that such regulations, if made without due regard to the special conditions of the two countries,

might to some extent defeat the good purpose of the present arrangement. It is agreed that the utmost care shall be taken by both Governments to see that only such Customs regulations are adopted as are reasonably necessary for the protection of the Treasury against fraud; that no regulation shall be made or maintained which unreasonably hampers the more liberal exchange of commodities now proposed; that representations on either side as to the unfavourable operation of any regulation will receive from the other all due consideration, with the earnest purpose of removing any just cause of complaint; and that, if any further legislation is found necessary to enable either Government to carry out the purposes of this provision, such legislation will be sought from Congress or Parliament as the case may be.

12. The Government of Canada agrees that, until otherwise determined by them, the licenses hitherto issued to United States fishing vessels under the provisions of section 3 of chapter 47 of the Revised Statutes of Canada, granting to such vessels certain privileges on the Atlantic coast of Canada, shall continue to be issued and that the fee to be paid to the Government of Canada for such license by the owner or commander of any such United States vessel shall hereafter be one dollar per annum.

13. It is understood that upon a day and hour to be agreed upon between the two Governments, the President of the United States will communicate to Congress the conclusions now reached and recommend the adoption of such legislation as may be necessary on the part of the United States to give effect to the proposed arrangement.

14. It is understood that simultaneously with the sending of such communication to the United States Congress by the Preisdent, the Canadian Government will communicate to the Parliament of Canada the conclusions now reached, and will thereupon take the necessary steps to procure such legislation as is required to give effect to the proposed arrangement.

15. Such legislation on the part of the United States may contain a provision that it shall not come into operation until the United States Government are assured that corresponding legislation has been or will be passed by the Parliament of Canada; and in like manner the legislation on the part of Canada may contain a provision that it shall not come into operation until the Government of Canada are assured that corresponding legislation has been passed or will be passed by the Congress of the United States.

Yours faithfully,

(Sgd.) W. S. FIELDING.

WM. PATERSON.

The Honourable P. C. Knox,  
Secretary of State,  
Washington, D. C.

Department of State, Washington.

January 21, 1911.

The Hon. W. S. Fielding, and  
The Hon. William Paterson  
Washington.

Gentlemen,—I have the honour to acknowledge the receipt of your communication of this date in relation to the negotiations initiated by the President several months ago for a reciprocal trade arrangement between the United States and Canada, in which you set forth and ask me to confirm your understanding of the results of our recent conferences in continuation of these negotiations.

I take great pleasure in replying that your statement of the proposed arrangement is entirely in accord with my understanding of it.

It is a matter of some regret on our part that we have been unable to adjust our differences on the subject of wood pulp, pulp wood and print paper. We recognize the difficulties to which you refer growing out of the nature of the relations between the Dominion and Provincial Governments, and for the present we must be content with the conditional arrangement which has been proposed in Schedule A attached to your letter.

I fully appreciate the importance, to which you call attention, of not permitting a too-rigid customs administration to interfere with the successful operation of our agreement, if it is approved by the Congress of the United States and the Parliament of Canada, and I desire to confirm your statement of our understanding on this point. I am satisfied that the spirit evinced on both sides gives assurance that every effort will be made to secure the full measure of benefit which is contemplated in entering into this arrangement.

The assurance that you give that the Dominion Government proposes to require only a nominal fee from the fishing vessels of the United States for the privileges in Canadian waters, for which heretofore a charge of \$1.50 per ton for each vessel has been required, is most gratifying.

I heartily concur in your statement of the purposes inspiring the negotiations and in the views expressed by you as to the mutual benefits to be derived by both countries in the event our work is confirmed, and I take this opportunity to assure you, on behalf of the President, of his appreciation of the cordial spirit in which you have met us in these negotiations,

I have the honour to be, gentlemen,

Your obedient servant,

(Signed) P. C. KNOX.

## SCHEDULE A.

Articles the growth, product or manufacture of the United States to be admitted into Canada free of duty when imported from the United States, and reciprocally articles of growth, product or manufacture of Canada to be admitted into the United States free of duty when imported from Canada:—

Live animals, viz.: Cattle, horses and mules, swine, sheep, lambs, and all other live animals.

Poultry, dead or alive.

Wheat, rye, oats, barley, and buckwheat; dried pease and beans, edible.

Corn, sweet corn, or maize (except into Canada for distillation.)

Hay, straw, and cow pease.

Fresh vegetables, viz.: Potatoes, sweet potatoes, yams, turnips onions, cabbages, and all other vegetables in their natural state.

Fresh fruits, viz.: Apples, pears, peaches, grapes, berries, and all other edible fruits in their natural state.

Dried fruits, viz.: Apples, peaches, pears, and apricots, dried, desiccated or evaporated.

Dairy products, viz.: Butter, cheese and fresh milk and cream. Provided that cans actually used in the transportation of milk or cream may be passed back and forth between the two countries free of duty, under such regulations as the respective governments may prescribe.

Eggs of barnyard fowl, in the shell.

Honey.

Cotton-seed oil.

Seeds, viz.: Flaxseed or linseed, cotton-seed, and other oil seeds, grass seed, including timothy and clover seed; garden, field, and other seed not herein otherwise provided for, when in packages weighing over one pound each (not including flower seeds).

Fish of all kinds, fresh, frozen, packed in ice, salted or preserved in any form, except sardines and other fish preserved in oil; and shell fish of all kinds, including oysters, lobsters and clams in any state, fresh or packed, and coverings of the foregoing.

Seal, herring, whale, and other fish oil, including sod oil.

Salt.

Mineral waters, natural, not in bottles or jugs.

Timber, hewn, sided or squared otherwise than by sawing, and round timber used for spars or in building wharves.

Sawed boards, planks, deals and other lumber, not further manufactured than sawed.

Paving posts, railroad ties, and telephone, trolley, electric light and telegraph poles of cedar or other woods.

Wooden staves of all kinds, not further manufactured than listed or jointed, and stave bolts.

Pickets and palings.

Plaster rock or gypsum, crude, not ground.

Mica, unmanufactured or rough trimmed only, and mica ground or bolted.

Feldspar, crude, powdered or ground.

Asbestos not further manufactured than ground.

Fluorspar, crude, not ground.

Glycerine, crude, not purified.

Talc, ground, bolted or precipitated, naturally or artificially, not for toilet use.

Sulphate of soda, or salt cake; and soda ash.

Extracts of hemlock bark.

Carbon electrodes.

Brass in bars and rods, in coil or otherwise, not less than six feet in length, or brass in strips, sheets or plates, not polished, planished or coated.

Cream separators of every description, and parts thereof imported for repair of the foregoing.

Rolled iron or steel sheets, or plates, number fourteen gauge or thinner, galvanized or coated with zinc, tin or other metal, or not.

Crucible cast steel wire, valued at not less than six cents per pound.

Galvanized iron or steel wire, curved or not, numbers nine, twelve, and thirteen wire gauge.

Typecasting and typesetting machines and parts thereof, adapted for use in printing offices.

Barbed fencing wire of iron or steel, galvanized or not.

Coke.

Rolled round wire rods in the coil, of iron or steel, not over three-eighths of an inch in diameter, and not smaller than number six wire gauge.

Pulp of wood mechanically ground; pulp of wood, chemical, bleached or unbleached; news print paper, and other paper, and paper board, manufactured from mechanical wood pulp or from chemical wood pulp, or of which such pulp is the component material of chief value, coloured in the pulp, or not coloured, and valued at not more than four cents per pound, not including printed or decorated wall paper.

Provided that such paper and board, valued at four cents per pound or less, and wood pulp, being the products of Canada, when imported therefrom directly into the United States, shall be admitted free of duty, on the condition precedent that no export duty, export license fee, or other export charge of any kind whatsoever (whether in the form of additional charge or license fee or otherwise) or any prohibition or restriction in any way of the exportation (whether by law, order, regulation, contractual relation, or otherwise, directly or indirectly) shall have been imposed upon such paper, board, or wood pulp, or the wood used in the manufacture of such paper, board or wood pulp, or the wood pulp used in the manufacture of such paper or board.

Provided also that such wood pulp, paper or board, being the products of the United States, shall only be admitted free of duty into Canada from the United States when such wood pulp, paper or board, being the product of Canada, are admitted from all parts of Canada free of duty into the United States.

NOTE.—It is understood that fresh fruits to be admitted free of duty into the United States from Canada do not include lemons, oranges, limes, grape fruit, shadœufs, pomelos, or pineapples.

It is also understood that fish oil, whale oil, seal oil and fish of all kinds, being the product of fisheries carried on by fishermen of the United States shall be admitted into Canada as the product of the United States, and similarly that fish oil, whale oil, seal oil and fish of all kinds, being the product of fisheries carried on by the fishermen of Canada, shall be admitted into the United States as the product of Canada.

## SCHEDULE B.

Articles the growth, product or manufacture of the United States to be admitted into Canada at the undermentioned rates of duty when imported from the United States; and reciprocally the same articles the growth, product or manufacture of Canada to be admitted into the United States at identical rates of duty when imported from Canada:—

Articles.	Rates of Duties.
Fresh meats, viz.:—beef, veal, mutton, lamb, pork, and all other fresh or refrigerated meats excepting game.....	One and one-quarter cents per pound.
Bacon and hams, not in tins or jars.....	One and one-quarter cents per pound.
Meats of all kinds, dried, smoked, salted, in brine, or prepared or preserved in any manner, not otherwise herein provided for.....	One and one-quarter cents per pound.
Canned meats and canned poultry.....	Twenty per cent ad valorem.
Extract of meats, fluid or not.....	Twenty per cent ad valorem.
Lard, and compounds thereof, cottolene and cotton stearine, and animal stearine.....	One and one-quarter cents per pound.
Tallow.....	Forty cents per 100 lbs.
Egg yolk, egg albumen and blood albumen.	Seven and one-half per cent ad valorem.
Fish (except shell fish), by whatever name known, packed in oil, in tin boxes or cans, including the weight of the package:—	
(a) when weighing over twenty ounces and not over thirty-six ounces each....	Five cents per package.
(b) when weighing over twelve ounces and not over twenty ounces each....	Four cents per package.
(c) when weighing twelve ounces each.. or less.....	Two cents per package.
(d) when weighing thirty-six ounces each or more, or when packed in oil, in bottles, jars or kegs.....	Thirty per cent ad valorem.
Tomatoes and other vegetables, including corn, in cans or other air-tight packages, and including the weight of the package..	One and one-quarter cents per pound.
Wheat flour and semolina; and rye flour....	Fifty cents per barrel of 196 pounds.
Oatmeal and rolled oats, including the weight of paper covering.....	Fifty cents per 100 pounds.
Corn Meal.....	Twelve and one-half cents per 100 pounds
Barley malt.....	Forty-five cents per 100 pounds.
Barley, pot pearled and patent,.....	One-half cent per pound.
Buckwheat flour or meal.....	One-half cent per pound.

Articles.

Rates of Duties.

Split pease, dried.....	Seven and one-half cents per bushel of 60 pounds.
Prepared cereal foods, not otherwise provided for herein.....	Seventeen and one-half per cent ad valorem.
Bran, middlings and other offals of grain used for animal food.....	Twelve and one-half cents per 100 pounds.
Macaroni and vermicelli.....	One cent per pound.
Biscuits, wafers and cakes, when sweetened with sugar, honey, molasses or other material.....	Twenty-five per cent ad valorem.
Biscuits, wafers, cakes and other baked articles composed in whole or in part of eggs or any kind of flour or meal when combined with chocolate, nuts, fruit or confectionery; also candied peel, candied pop-corn, candied nuts, candied fruits, sugar candy and confectionery of all kinds.....	Thirty-two and one-half per cent ad valorem.
Maple sugar and maple syrup.....	One cent per pound.
Pickles, including pickled nuts; sauces of all kinds, and fish paste or sauce.....	Thirty-two and one-half per cent ad valorem.
Cherry juice and prune juice, or prune wine, and other fruit juices, and fruit syrup, non-alcoholic.....	Seventeen and a half per cent ad valorem.
Mineral waters and imitations of natural mineral waters, in bottles or jugs.....	Seventeen and a half per cent ad valorem.
Essential oils.....	Seven and a half per cent ad valorem.
Grape vines; gooseberry, raspberry and currant bushes.....	Seventeen and a half per cent ad valorem.
Farm wagons, and finished parts thereof.....	Twenty-two and a half per cent ad valorem.
Ploughs, tooth and disc harrows, harvesters, reapers, agricultural drills and planters, mowers, horse-rakes, cultivators; threshing machines, including wind-stackers, baggers, weighers, and self-feeders therefor; and finished parts thereof imported for repair of the foregoing.....	Fifteen per cent ad valorem.
Portable engines with boilers, in combination, horse-powers and traction engines, for farm purposes; hay loaders, potato diggers, fodder or feed cutters, grain crushers, fanning mills, hay tenders, farm or field rollers, manure spreaders, weeder and windmills; and finished parts thereof imported for repair of the foregoing, except shafting.....	Twenty per cent ad valorem.

**Articles.**

**Rates of Duties.**

Grindstones of sandstone, not mounted, finished or not.....	Five cents per 100 pounds.
Freestone, granite, sandstone, limestone, and all other monumental or building stone, except marble, breccia, and onyx, unmanufactured, or not dressed, hewn or polished.....	Twelve and a half per cent ad valorem.
Roofing slates.....	Fifty-five cents per 100 square feet.
Vitrified paving blocks, not ornamented or decorated in any manner, and paving blocks of stone.....	Seventeen and a half per cent ad valorem.
Oxide of iron, as a colour.....	Twenty-two and a half per cent ad valorem.
Asbestos further manufactured than ground; manufactures of asbestos, or articles of which asbestos is the component material of chief value, including woven fabrics wholly or in chief value of asbestos.....	Twenty-two and a half per cent ad valorem.
Printing ink.....	Seventeen and a half per cent ad valorem.
Cutlery, plated or not, viz.:—pocket knives, pen knives, scissors and shears, knives and forks for household purposes, and table steel.....	Twenty-seven and a half per cent ad valorem.
Bells and gongs; brass corners and rules for printers.....	Twenty-seven and a half per cent ad valorem.
Basins, urinals and other plumbing fixtures for bath rooms and lavatories; bath tubs, sinks and laundry tubs, of earthenware, stone, cement or clay, or of other material.....	Thirty-two and a half per cent ad valorem.
Brass band instruments.....	Tewnty-two and a half per cent ad valorem.
Clocks, watches, time recorders, clock and watch keys, clock cases, and clock movements.....	Twenty-seven and a half per cent ad valorem.
Printers' wooden cases and cabinets for holding type.....	Twenty-seven and a half per cent ad valorem.
Wood flour.....	Twenty-two and a half per cent ad valorem.
Canoes and small boats of wood, not power boats.....	Twenty-two and a half per cent ad valorem.
Feathers, crude, not dressed, coloured or otherwise manufactured.....	Twelve and a half per cent ad valorem.
Antiseptic surgical dressings, such as absorbent cotton, cotton wool, lint, lamb's wool, tow, jute, gauzes and oakum, prepared for use as surgical dressings, plain or medicated, surgical trusses, pessaries, and suspensory bandages of all kinds.....	Seventeen and a half per cent ad valorem.

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